

# **Title 6**

## **Taxation**

## TITLE 6. TAXATION

### IC 6-1.1-18.5

#### Chapter 18.5. Civil Government Property Tax Controls

### IC 6-1.1-18-3

#### Maximum political subdivision tax rate

Sec. 3. (a) Except as provided in subsection (b), the sum of all tax rates for all political subdivisions imposed on tangible property within a political subdivision may not exceed:

(1) forty-one and sixty-seven hundredths cents (\$0.4167) on each one hundred dollars (\$100) of assessed valuation in territory outside the corporate limits of a city or town; or

(2) sixty-six and sixty-seven hundredths cents (\$0.6667) on each one hundred dollars (\$100) of assessed valuation in territory inside the corporate limits of a city or town.

(b) The proper officers of a political subdivision shall fix tax rates which are sufficient to provide funds for the purposes itemized in this subsection. The portion of a tax rate fixed by a political subdivision shall not be considered in computing the tax rate limits prescribed in subsection (a) if that portion is to be used for one (1) of the following purposes:

(1) To pay the principal or interest on a funding, refunding, or judgment funding obligation of the political subdivision.

(2) To pay the principal or interest on an outstanding obligation issued by the political subdivision if notice of the sale of the obligation was published before March 9, 1937.

(3) To pay the principal or interest upon:

(A) an obligation issued by the political subdivision to meet an emergency which results from a flood, fire, pestilence,

war, or any other major disaster; or

(B) a note issued under IC 36-2-6-18, IC 36-3-4-22, IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county to acquire necessary equipment or facilities for municipal or county government.

(4) To pay the principal or interest upon an obligation issued in the manner provided in IC 6-1.1-20-3 (before its repeal) or IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2.

(5) To pay a judgment rendered against the political subdivision.

(6) To meet the requirements of the family and children's fund for child services (as defined in IC 12-19-7-1).

(7) To meet the requirements of the county hospital care for the indigent fund.

(8) To meet the requirements of the children's psychiatric residential treatment services fund for children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1).

(c) Except as otherwise provided in IC 6-1.1-19 or IC 6-1.1-18.5, a county board of tax adjustment, a county auditor, or the department of local government finance may review the portion of a tax rate described in subsection (b) only to determine if it exceeds the portion actually needed to provide for one (1) of the purposes itemized in that subsection.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.73-1983, SEC.10; P.L.16-1986, SEC.3; P.L.37-1988, SEC.7; P.L.36-1994, SEC.2; P.L.25-1995, SEC.27; P.L.273-1999, SEC.53; P.L.273-1999, SEC.54; P.L.90-2002, SEC.160; P.L.224-2003, SEC.84.*

### IC 6-1.1-18.5-9.7

#### Ad valorem property tax; computation

Sec. 9.7. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed under any of the following:

(1) IC 12-16, except IC 12-16-1.

(2) IC 12-19-5.

(3) IC 12-19-7.

(4) IC 12-19-7.5.

(5) IC 12-20-24.

(b) For purposes of computing the ad valorem property tax levy limits imposed under section 3 of this chapter, a county's or township's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed under the citations listed in subsection (a).

(c) Section 8(b) of this chapter does not apply to bonded indebtedness that will be repaid through property taxes imposed under IC 12-19.

*As added by P.L.45-1984, SEC.1. Amended by P.L.16-1986, SEC.4; P.L.2-1992, SEC.60; P.L.36-1994, SEC.3; P.L.52-1996, SEC.1; P.L.273-1999, SEC.55; P.L.224-2003, SEC.85*

#### **IC 6-1.1-18.5-10**

Sec. 10. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit to be used to fund community mental health centers under IC 12-29-2-1 through IC 12-29-2-6 or community mental retardation and other developmental disabilities centers under IC 12-29-1-1 to the extent that those property taxes are attributable to any increase in the assessed value of the civil taxing unit's taxable property caused by a general reassessment of real property that took effect after February 28, 1979.

(b) For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy described in subsection (a).

*As added by P.L.73-1983, SEC.1. Amended by P.L.2-1992, SEC.61; P.L.24-1997, SEC.4*

#### **IC 6-1.1-18.6-2.2**

##### **Maximum levy**

Sec. 2.2. A county may not impose a county children's psychiatric residential treatment services property tax levy for an ensuing calendar year that exceeds the product of:

- (1) the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the county for the ensuing calendar year; multiplied by
- (2) the maximum county children's psychiatric residential treatment services property tax levy that the county could have imposed for the calendar year immediately preceding the ensuing calendar year under the limitations set by this section.

*As added by P.L.224-2003, SEC.87*

#### **IC 6-1.1-18.6-4**

##### **Appeal for increase in maximum levy**

Sec. 4. (a) A county may increase its maximum county children's psychiatric residential treatment services property tax levy for an ensuing calendar year if, in the judgment of the county fiscal body, the increase is necessary to pay the obligations that will be incurred by the county for children's psychiatric residential treatment services during the ensuing calendar year. The maximum increase that the county fiscal body may recommend for a county may not exceed:

- (1) the county's expected obligations under IC 12-19-7.5 for the ensuing calendar year; minus
- (2) the portion of the county children's psychiatric residential treatment services property tax levy for the year preceding the ensuing calendar year that was available to pay obligations under IC 12-19-7.5.

(b) In making its recommendation, the county fiscal body shall consider the county's estimate of expected obligations under

IC 12-19-7.5 but may make adjustments to the county's estimate.

(c) The decision of the county fiscal body under this section is a final determination that may not be appealed.

*As added by P.L.224-2003, SEC.88.*

#### **IC 6-1.1-19-1.5**

##### **General fund ad valorem property tax levy; adjustments; assessment ratio and adjustment factor**

Sec. 1.5. (a) The following definitions apply throughout this section and IC 21-3-1.7:

(1) "Adjustment factor" means the adjustment factor determined by the department of local government finance for a school corporation under IC 6-1.1-34.

(2) "Adjusted target property tax rate" means:

(A) the school corporation's target general fund property tax rate determined under IC 21-3-1.7-6.8; multiplied by

(B) the school corporation's adjustment factor.

(3) "Previous year property tax rate" means the school corporation's previous year general fund property tax rate after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and IC 21-3-1.7-5(3).

(b) Except as otherwise provided in this chapter, a school corporation may not, for a calendar year beginning after December 31, 2004, impose a general fund ad valorem property tax levy which exceeds the following:

STEP ONE: Determine the result of:

(A) the school corporation's adjusted target property tax rate; minus  
 (B) the school corporation's previous year property tax rate.

STEP TWO: If the school corporation's adjusted target property tax rate:

(A) exceeds the school corporation's previous year property tax rate, perform the calculation under STEP THREE and not under STEP FOUR;

(B) is less than the school corporation's previous year property tax rate, perform the calculation under STEP FOUR and not under STEP THREE; or

(C) equals the school corporation's previous year property tax rate, determine the levy resulting from using the school corporation's adjusted target property tax rate and do not perform the calculation under STEP THREE or STEP FOUR.

STEP THREE: Determine the levy resulting from using the school corporation's previous year property tax rate after increasing the rate by the lesser of:

(A) the STEP ONE result; or

(B) five cents (\$0.05).

STEP FOUR: Determine the levy resulting from using the school corporation's previous year property tax rate after reducing the rate by the lesser of:

(A) the absolute value of the STEP ONE result; or

(B) five cents (\$0.05).

STEP FIVE: Determine the result of:

(A) the STEP TWO (C), STEP THREE, or STEP FOUR result, whichever applies; plus

(B) an amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years. The maximum levy is to include the portion of any excessive levy and the levy for new facilities.

STEP SIX: Determine the result of:

(A) the STEP FIVE result; plus

(B) the product of:

(i) the weighted average of the amounts determined under IC 21-3-1.7-6.7(e) STEP NINE for all charter schools attended by students who have legal settlement in the school corporation; multiplied by

(ii) thirty-five hundredths (0.35).

In determining the number of students for purposes of this STEP, each kindergarten pupil shall be counted as one-half (1/2) pupil.

The result determined under this STEP may not be included in the school corporation's adjusted base levy for the year following the year in which the result applies or in the school corporation's determination of tuition support.

(c) For purposes of this section, "total assessed value", as adjusted under subsection (d), with respect to a school corporation means the total assessed value of all taxable property for ad valorem property taxes first due and payable during that year.

(d) The department of local government finance may adjust the total assessed value of a school corporation to eliminate the effects of appeals and settlements arising from a statewide general reassessment of real property.

(e) The department of local government finance shall annually establish an assessment ratio and adjustment factor for each school corporation to be used upon the review and recommendation of the budget committee. The information compiled, including background documentation, may not be used in a:

(1) review of an assessment under IC 6-1.1-8, IC 6-1.1-13, IC 6-1.1-14, or IC 6-1.1-15;

(2) petition for a correction of error under IC 6-1.1-15-12; or

(3) petition for refund under IC 6-1.1-26.

(f) All tax rates shall be computed by rounding the rate to the nearest one-hundredth of a cent (\$0.0001). All tax levies shall be computed by rounding the levy to the nearest dollar amount.

(g) For the calendar year beginning January 1, 2004, and ending December 31, 2004, a school corporation may impose a general fund ad valorem property tax levy in the amount determined under STEP SEVEN of the following formula:

STEP ONE: Determine the quotient of:

(A) the school corporation's 2003 assessed valuation; divided by

(B) the school corporation's 2002 assessed valuation.

STEP TWO: Determine the greater of zero (0) or the difference between:

(A) the STEP ONE amount; minus

(B) one (1).

STEP THREE: Determine the lesser of eleven-hundredths (0.11) or the product of:

(A) the STEP TWO amount; multiplied by

(B) eleven-hundredths (0.11).

STEP FOUR: Determine the sum of:

(A) the STEP THREE amount; plus

(B) one (1).

STEP FIVE: Determine the product of:

(A) the STEP FOUR amount; multiplied by

(B) the school corporation's general fund ad valorem property tax levy for calendar year 2003.

STEP SIX: Determine the lesser of:

(A) the STEP FIVE amount; or

(B) the levy resulting from using the school corporation's previous year property tax rate after increasing the rate by five cents (\$0.05).

STEP SEVEN: Determine the result of:

(A) the STEP SIX amount; plus

(B) an amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

The maximum levy is to include the part of any excessive levy and the levy for new facilities.

STEP EIGHT: Determine the result of:

(A) the STEP SEVEN result; plus

(B) the product of:

(i) the weighted average of the amounts determined under IC 21-3-1.7-6.7(e) STEP NINE for all charter schools attended by students who have legal settlement in the school corporation; multiplied by  
(ii) thirty-five hundredths (0.35).

In determining the number of students for purposes of this STEP, each kindergarten pupil shall be counted as one-half (1/2) pupil.

The result determined under this STEP may not be included in the school corporation's adjusted base levy for the year following the year in which the result applies or in the school corporation's determination of tuition support.

*As added by Acts 1978, P.L.34, SEC.2. Amended by Acts 1979, P.L.208, SEC.8; Acts 1982, P.L.46, SEC.1; P.L.65-1985, SEC.17; P.L.24-1986, SEC.18; P.L.382-1987(ss), SEC.52; P.L.5-1988, SEC.43; P.L.345-1989(ss), SEC.1; P.L.51-1990, SEC.1; P.L.1-1991, SEC.40; P.L.240-1991(ss2), SEC.48; P.L.277-1993(ss), SEC.84; P.L.278-1993(ss), SEC.3; P.L.1-1994, SEC.26; P.L.38-1994, SEC.1; P.L.340-1995, SEC.41; P.L.30-1996, SEC.2; P.L.260-1997(ss), SEC.48; P.L.273-1999, SEC.129; P.L.291-2001, SEC.89; P.L.90-2002, SEC.173; P.L.224-2003, SEC.136; P.L.276-2003, SEC.1.*

## **IC 6-1.1-21-2**

### **Definitions**

Sec. 2. As used in this chapter:

(a) "Taxpayer" means a person who is liable for taxes on property assessed under this article.

(b) "Taxes" means property taxes payable in respect to property assessed under this article. The term does not include special assessments, penalties, or interest, but does include any special charges which a county treasurer combines with all other taxes in the preparation and delivery of the tax statements required under IC 6-1.1-22-8(a).

(c) "Department" means the department of state revenue.

(d) "Auditor's abstract" means the annual report prepared by each county auditor which under IC 6-1.1-22-5, is to be filed on or before March 1 of each year with the auditor of state.

(e) "Mobile home assessments" means the assessments of mobile homes made under IC 6-1.1-7.

(f) "Postabstract adjustments" means adjustments in taxes made subsequent to the filing of an auditor's abstract which change assessments therein or add assessments of omitted property affecting taxes for such assessment year.

(g) "Total county tax levy" means the sum of:

(1) the remainder of:

(A) the aggregate levy of all taxes for all taxing units in a county which are to be paid in the county for a stated assessment year as reflected by the auditor's abstract for the assessment year, adjusted, however, for

any postabstract adjustments which change the amount of the aggregate levy; minus

(B) the sum of any increases in property tax levies of taxing units of the county that result from appeals described in:

- (i) IC 6-1.1-18.5-13(5) and IC 6-1.1-18.5-13(6) filed after December 31, 1982; plus
- (ii) the sum of any increases in property tax levies of taxing units of the county that result from any other appeals described in IC 6-1.1-18.5-13 filed after December 31, 1983; plus
- (iii) IC 6-1.1-18.6-3 (children in need of services and delinquent children who are wards of the county); minus

(C) the total amount of property taxes imposed for the stated assessment year by the taxing units of the county under the authority of IC 12-1-11.5 (repealed), IC 12-2-4.5 (repealed), IC 12-19-5, or IC 12-20-24; minus

(D) the total amount of property taxes to be paid during the stated assessment year that will be used to pay for interest or principal due on debt that:

- (i) is entered into after December 31, 1983;
- (ii) is not debt that is issued under IC 5-1-5 to refund debt incurred before January 1, 1984; and
- (iii) does not constitute debt entered into for the purpose of building, repairing, or altering school buildings for which the requirements of IC 20-5-52 were satisfied prior to January 1, 1984; minus

(E) the amount of property taxes imposed in the county for the stated assessment year under the authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(F) the remainder of:

- (i) the total property taxes imposed in the county for the stated assessment year under authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus
- (ii) the total property taxes imposed in the county for the 1984 stated assessment year under the authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative building fund whose property tax rate was not initially established or reestablished for a stated assessment year that succeeds the 1983 stated assessment year; minus

(G) the amount of property taxes imposed in the county for the stated assessment year under:

- (i) IC 21-2-15 for a capital projects fund; plus
- (ii) IC 6-1.1-19-10 for a racial balance fund; plus
- (iii) IC 20-14-13 for a library capital projects fund; plus
- (iv) IC 20-5-17.5-3 for an art association fund; plus
- (v) IC 21-2-17 for a special education preschool fund; plus
- (vi) IC 21-2-11.6 for a referendum tax levy fund; plus
- (vii) an appeal filed under IC 6-1.1-19-5.1 for an increase in a school corporation's maximum permissible general fund levy for certain transfer tuition costs; plus
- (viii) an appeal filed under IC 6-1.1-19-5.4 for an increase in a school corporation's maximum permissible general fund levy for transportation operating costs; minus

(H) the amount of property taxes imposed by a school corporation that is attributable to the passage, after 1983, of a referendum for an excessive tax levy under IC 6-1.1-19, including any increases in these property taxes that are attributable to the adjustment set forth in IC 6-1.1-19-1.5 or any other law; minus

(I) for each township in the county, the lesser of:

- (i) the sum of the amount determined in IC 6-1.1-18.5-19(a) STEP THREE or IC 6-1.1-18.5-19(b) STEP THREE, whichever is applicable, plus the part, if any, of the township's ad valorem property tax levy for calendar year 1989 that represents increases in that levy that resulted from an appeal described in IC 6-1.1-18.5-13(5) filed after December 31, 1982; or
- (ii) the amount of property taxes imposed in the township for the stated assessment year under the authority of IC 36-8-13-4; minus

(J) for each participating unit in a fire protection territory established under IC 36-8-19-1, the amount of property taxes levied by each participating unit under IC 36-8-19-8 and IC 36-8-19-8.5 less the maximum levy limit for each of the participating units that would have otherwise been available for fire protection services under IC 6-1.1-18.5-3 and IC 6-1.1-18.5-19 for that same year; minus

(K) for each county, the sum of:

(i) the amount of property taxes imposed in the county for the repayment of loans under IC 12-19-5-6 (repealed) that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN for property taxes payable in 1995, or for property taxes payable in each year after 1995, the amount determined under IC 12-19-7-4(b); and

(ii) the amount of property taxes imposed in the county attributable to appeals granted under IC 6-1.1-18.6-3 that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN for property taxes payable in 1995, or the amount determined under IC 12-19-7-4(b) for property taxes payable in each year after 1995; plus

(2) all taxes to be paid in the county in respect to mobile home assessments currently assessed for the year in which the taxes stated in the abstract are to be paid; plus

(3) the amounts, if any, of county adjusted gross income taxes that were applied by the taxing units in the county as property tax replacement credits to reduce the individual levies of the taxing units for the assessment year, as provided in

IC 6-3.5-1.1; plus

(4) the amounts, if any, by which the maximum permissible ad valorem property tax levies of the taxing units of the county were reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated assessment year; plus

(5) the difference between:

(A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR; minus

(B) the amount the civil taxing units' levies were increased because of the reduction in the civil taxing units' base year certified shares under IC 6-1.1-18.5-3(e).

(h) "December settlement sheet" means the certificate of settlement filed by the county auditor with the auditor of state, as required under IC 6-1.1-27-3.

(i) "Tax duplicate" means the roll of property taxes which each county auditor is required to prepare on or before March 1 of each year under IC 6-1.1-22-3.

(j) "Eligible property tax replacement amount" is equal to the sum of the following:

(1) Sixty percent (60%) of the total county tax levy imposed by each school corporation in a county for its general fund for a stated assessment year.

(2) Twenty percent (20%) of the total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) imposed in a county on real property for a stated assessment year.

(3) Twenty percent (20%) of the total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) imposed in a county on tangible personal property, excluding business personal property, for an assessment year.

(k) "Business personal property" means tangible personal property (other than real property) that is being:

(1) held for sale in the ordinary course of a trade or business; or

(2) held, used, or consumed in connection with the production of income.

(l) "Taxpayer's property tax replacement credit amount" means the sum of the following:

(1) Sixty percent (60%) of a taxpayer's tax liability in a calendar year for taxes imposed by a school corporation for its general fund for a stated assessment year.

(2) Twenty percent (20%) of a taxpayer's tax liability for a stated assessment year for a total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) on real property.

(3) Twenty percent (20%) of a taxpayer's tax liability for a stated assessment year for a total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) on tangible

personal property other than business personal property.

(m) "Tax liability" means tax liability as described in section 5 of this chapter.

(n) "General school operating levy" means the ad valorem property tax levy of a school corporation in a county for the school corporation's general fund.

*(Formerly: Acts 1975, P.L.47, SEC.1.) As amended by P.L.73-1983, SEC.12; P.L.74-1983, SEC.2; P.L.45-1984, SEC.3; P.L.44-1984, SEC.6; P.L.66-1986, SEC.1; P.L.64-1986, SEC.2; P.L.85-1987, SEC.1; P.L.59-1988, SEC.1; P.L.82-1989, SEC.2; P.L.343-1989(ss), SEC.3; P.L.344-1989(ss), SEC.2; P.L.1-1990, SEC.74; P.L.59-1991, SEC.1; P.L.240-1991(ss2), SEC.49; P.L.2-1992, SEC.64; P.L.36-1994, SEC.8;*

*P.L.25-1995, SEC.52; P.L.253-1997(ss), SEC.4; P.L.85-2002, SEC.2; P.L.192-2002(ss), SEC.39; P.L.224-2003, SEC.137.*

**IC 6-1.1-29-9**

**County board of tax adjustment; procedures for abolishing; effect**

Sec. 9. (a) A county council may adopt an ordinance to abolish the county board of tax adjustment. This ordinance must be adopted by July 1 and may not be rescinded in the year it is adopted. Notwithstanding IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-19, IC 12-19-7, IC 12-19-7.5, IC 21-2-14, IC 36-8-6, IC 36-8-7, IC 36-8-7.5, IC 36-8-11, IC 36-9-3, IC 36-9-4, and IC 36-9-13, if such an ordinance is adopted, this section governs the treatment of tax rates, tax levies, and budgets that would otherwise be reviewed by a county board of tax adjustment under IC 6-1.1-17.

(b) The time requirements set forth in IC 6-1.1-17 govern all filings and notices.

(c) A tax rate, tax levy, or budget that otherwise would be reviewed by the county board of tax adjustment is considered and must be treated for all purposes as if the county board of tax adjustment approved the tax rate, tax levy, or budget. This includes the notice of tax rates that is required under IC 6-1.1-17-12.

*As added by P.L.69-1985, SEC.2. Amended by P.L.2-1992, SEC.65; P.L.36-1994, SEC.11; P.L.273-1999, SEC.57; P.L.224-2003, SEC.89.*

**IC 6-2.5**

**ARTICLE 2.5. STATE GROSS RETAIL AND USE TAXES**

**IC 6-2.5-6**

**Chapter 6. Returns, Remittances, and Refunds**

**IC 6-2.5-6-14**

Sec. 14. (a) The department shall compile a list annually of retail merchants that sell tobacco products that includes the following information:

(1) On a county by county basis, the name and business address for each location at which the retail merchant sells tobacco products.

(2) The name and business address of each new retail merchant since the previous report.

(3) The name and business address of each retail merchant that no longer sells tobacco products since the previous report.

The department shall deliver the list prepared under this section to the division of mental health and the alcoholic beverage commission.

(b) A retail merchant that sells tobacco products must provide the information required by the department under this section.

(c) The department shall prescribe the form, or modify an existing form, to collect the information required by this section.

*As added by P.L.177-1999, SEC.1.*

**IC 6-7**

**ARTICLE 7. TOBACCO TAXES**

**IC 6-7-1-17**

**Distributors as agents of state for collection of tax; purchase of revenue stamps; execution of bond**

Sec. 17. (a) Distributors who hold certificates and retailers shall be agents of the state in the collection of the taxes imposed by this chapter and the amount of the tax levied, assessed, and imposed by this chapter on cigarettes sold, exchanged, bartered, furnished, given away, or otherwise disposed of by distributors or to retailers. Distributors who hold certificates shall be agents of the department to affix the required stamps and shall be entitled to purchase the stamps from the department at a discount of one and two-tenths percent (1.2%) of the amount of the tax stamps purchased, as compensation for their labor and expense.

(b) The department may permit distributors who hold certificates and who are admitted to do business in Indiana to pay for revenue stamps within thirty (30) days after the date of purchase. However, the privilege is extended upon the express condition that:

(1) except as provided in subsection (c), a bond or letter of credit satisfactory to the department, in an amount not less than the sales price of the stamps, is filed with the department; and



(2) proof of payment is made of all local property, state income, and excise taxes for which any such distributor may be liable. The bond or letter of credit, conditioned to secure payment for the stamps, shall be executed by the distributor as principal and by a corporation duly authorized to engage in business as a surety company or financial institution in Indiana.

(c) If a distributor has at least five (5) consecutive years of good credit standing with the state, the distributor shall not be required to post a bond or letter of credit under subsection (b).

*(Formerly: Acts 1947, c.222, s.16; Acts 1963(ss), c.37, s.4; Acts 1965, c.225, s.7.) As amended by P.L.2-1988, SEC.28; P.L.49-1992, SEC.2; P.L.192-2002(ss), SEC.136; P.L.252-2003, SEC.1.*

#### **IC 6-7-1-18**

##### **Affixing stamps; invoices**

Sec. 18. Every distributor, upon the receipt of cigarettes taxed under this chapter, shall cause each individual package to have the requisite denomination and amount of stamps firmly affixed. Every retailer, upon receipt of cigarettes not having the proper amount of stamps firmly affixed, to each individual package, or stamped by a meter stamping machine, by a distributor shall stamp or firmly affix stamps immediately on each individual package. Provided, however, that any distributor engaged in interstate business, shall be permitted to set aside such part of his stock as may be necessary for the conduct of such interstate business without affixing the stamps

required by this chapter. Every distributor, at the time of shipping or delivering any cigarettes, shall make a duplicate invoice, showing complete details of each transaction, and shall retain the duplicate subject to the inspection by the department or its agent. Every distributor shall include with each shipment or delivery of cigarettes an invoice showing complete details of the transactions. Every retailer shall retain for not less than two (2) weeks the invoice included with each shipment or delivery of cigarettes subject to inspection by the department or its agent. A retailer may request a duplicate invoice from a distributor.

*(Formerly: Acts 1947, c.222, s.17.) As amended by P.L.2-1988, SEC.29; P.L.252-2003, SEC.2.*

##### **IC 6-7-1-28.1a**

*Note: This version of section effective until 8-1-2002. See also following version of this section, effective 8-1-2002.*

Sec. 28.1. The taxes, registration fees, fines, or penalties collected under this chapter shall be deposited in the following manner:

(1) Seven thirty-firsts (7/31) of the money shall be deposited in a fund to be known as the cigarette tax fund.

(2) One thirty-first (1/31) of the money shall be deposited in a fund to be known as the mental health centers fund.

(3) Fourteen thirty-firsts (14/31) of the money shall be deposited in the state general fund.

(4) Nine thirty-firsts (9/31) of the money shall be deposited into the pension relief fund established in IC 5-10.3-11.

The money in the cigarette tax fund, the mental health centers fund, or the pension relief fund at the end of a fiscal year does not revert to the state general fund. However, if in any fiscal year, the amount allocated to a fund under subdivision (1) or (2) is less than the amount received in fiscal year 1977, then that fund shall be credited with the difference between the amount allocated and the amount received in fiscal year 1977, and the allocation for the fiscal year to the fund under subdivision (3) shall be reduced by the amount of that difference.

*As added by Acts 1977, P.L.89, SEC.1. Amended by Acts 1977(ss), P.L.9, SEC.4; Acts 1981, P.L.11, SEC.37; P.L.96-1987, SEC.3; P.L.18-1994, SEC.39.*

##### **IC 6-7-1-28.1b**

*Note: This version of section effective 8-1-2002. See also preceding version of this section, effective until 8-1-2002.*

Sec. 28.1. The taxes, registration fees, fines, or penalties collected under this chapter shall be deposited in the following manner:

(1) Six and six-tenths percent (6.6%) of the money shall be deposited in a fund to be known as the cigarette tax fund.

(2) Ninety-four hundredths percent (0.94%) of the money shall be deposited in a fund to be known as the mental health centers fund.

(3) Eighty-three and ninety-seven hundredths percent (83.97%) of the money shall be deposited in the state general fund.

(4) Eight and forty-nine hundredths percent (8.49%) of the money shall be deposited into the pension relief

fund established in IC 5-10.3-11.

The money in the cigarette tax fund, the mental health centers fund, or the pension relief fund at the end of a fiscal year does not revert to the state general fund. However, if in any fiscal year, the amount allocated to a fund under subdivision (1) or (2) is less than the amount received in fiscal year 1977, then that fund shall be credited with the difference between the amount allocated and the amount received in fiscal year 1977, and the allocation for the fiscal year to the fund under subdivision (3) shall be reduced by the amount of that difference.

*As added by Acts 1977, P.L.89, SEC.1. Amended by Acts 1977(ss), P.L.9, SEC.4; Acts 1981, P.L.11, SEC.37; P.L.96-1987, SEC.3; P.L.18-1994, SEC.39; P.L.192-2002(ss), SEC.137*

#### **IC 6-7-1-30.5**

##### **Appropriations to local health maintenance fund**

Sec. 30.5. (a) There is annually appropriated to the local health maintenance fund established by IC 16-46-10 two million four hundred thirty thousand dollars (\$2,430,000) from the state general fund to provide funds for annual distribution to local boards of health in accordance with IC 16-46-10-2 to enable local boards of health to provide basic health services.

(b) The state department of health may retain annually a maximum of fifty thousand dollars (\$50,000) of the total appropriation to the local health maintenance fund under subsection (a) to pay administrative expenses incurred by the state department of health in distributing the funds to local health departments.

*As added by P.L.82-1993, SEC.2. Amended by P.L.47-1994, SEC.1; P.L.224-2003, SEC.119.*

#### **IC 6-7-1-32.1**

Sec. 32.1. (a) The money in the mental health centers fund is annually appropriated to the division of mental health.

(b) The division may use the money:

(1) to pay the state's share of the cost of acquiring sites for, constructing, remodeling, equipping, or operating community mental health centers; and

(2) to provide grants for a partial facility if there is a reasonable assurance that the facility will provide community mental health services within five (5) years after it provides any partial service to the public.

*As added by Acts 1977, P.L.89, SEC.5. Amended by P.L.28-1985, SEC.4; P.L.337-1989(ss), SEC.3; P.L.2-1992, SEC.71; P.L.40-1994, SEC.2; P.L.6-1995, SEC.2.*

#### **IC 6-7-2-11**

##### **Revocation or suspension of license**

Sec. 11. The department:

(1) may revoke or suspend a license issued under this chapter for any violation of this chapter or IC 6-7-1-18 by the licensee; and

(2) may not issue a license under this chapter to an applicant within six (6) months after the revocation of that applicant's license.

*As added by P.L.96-1987, SEC.7. Amended by P.L.252-2003, SEC.3.*

#### **IC 6-8.1**

### **ARTICLE 8.1. DEPARTMENT OF STATE REVENUE; TAX ADMINISTRATION**

#### **IC 6-8.1-7**

##### **Chapter 7. Confidentiality**

#### **IC 6-8.1-7-1**

Sec. 1. (a) This subsection does not apply to the disclosure of information concerning a conviction on a tax evasion charge. Unless in accordance with a judicial order or as otherwise provided in this chapter, the department, its employees, former employees, counsel, agents, or any other person may not divulge the amount of tax paid by any taxpayer, terms of a settlement agreement executed between a taxpayer and the department, investigation records, investigation reports, or any other information disclosed by the reports filed under the provisions of the law relating to any of the listed taxes, including required information derived from a federal return, except to:

(1) members and employees of the department;

(2) the governor;

(3) the attorney general or any other legal representative of the state in any action in respect to the amount of tax due under the provisions of the law relating to any of the listed taxes; or

- (4) any authorized officers of the United States;  
when it is agreed that the information is to be confidential and to be used solely for official purposes.
- (b) The information described in subsection (a) may be revealed upon the receipt of a certified request of any designated officer of the state tax department of any other state, district, territory, or possession of the United States when:
- (1) the state, district, territory, or possession permits the exchange of like information with the taxing officials of the state; and
  - (2) it is agreed that the information is to be confidential and to be used solely for tax collection purposes.
- (c) The information described in subsection (a) relating to a person on public welfare or a person who has made application for public welfare may be revealed to the director of the division of family and children, and to any county director of family and children located in Indiana, upon receipt of a written request from either director for the information. The information shall be treated as confidential by the directors. In addition, the information described in subsection (a) relating to a person who has been designated as an absent parent by the state Title IV-D agency shall be made available to the state Title IV-D agency upon request. The information shall be subject to the information safeguarding provisions of the state and federal Title IV-D programs.
- (d) The name, address, Social Security number, and place of employment relating to any individual who is delinquent in paying educational loans owed to an institution of higher education may be revealed to that institution if it provides proof to the department that the individual is delinquent in paying for educational loans. This information shall be provided free of charge to approved institutions of higher learning (as defined by IC 20-12-21-3(2)). The department shall establish fees that all other institutions must pay to the department to obtain information under this subsection. However, these fees may not exceed the department's administrative costs in providing the information to the institution.
- (e) The information described in subsection (a) relating to reports submitted under IC 6-6-1.1-502 concerning the number of gallons of gasoline sold by a distributor, and IC 6-6-2.5 concerning the number of gallons of special fuel sold by a supplier and the number of gallons of special fuel exported by a licensed exporter or imported by a licensed transporter may be released by the commissioner upon receipt of a written request for the information.
- (f) The information described in subsection (a) may be revealed upon the receipt of a written request from the administrative head of a state agency of Indiana when:
- (1) the state agency shows an official need for the information; and
  - (2) the administrative head of the state agency agrees that any information released will be kept confidential and will be used solely for official purposes.
- (g) The name and address of retail merchants, including township, as specified in IC 6-2.5-8-1(h) may be released solely for tax collection purposes to township assessors.
- (h) The department shall notify the appropriate innkeepers' tax board, bureau, or commission that a taxpayer is delinquent in remitting innkeepers' taxes under IC 6-9.
- (i) All information relating to the delinquency or evasion of the motor vehicle excise tax shall be disclosed to the bureau of motor vehicles in Indiana and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.
- (j) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable to the bureau of motor vehicles in Indiana must be disclosed to the bureau and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.
- (k) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable under the International Registration Plan may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.
- (l) This section does not apply to:
- (1) the beer excise tax (IC 7.1-4-2);
  - (2) the liquor excise tax (IC 7.1-4-3);
  - (3) the wine excise tax (IC 7.1-4-4);
  - (4) the hard cider excise tax (IC 7.1-4-4.5);
  - (5) the malt excise tax (IC 7.1-4-5);
  - (6) the motor vehicle excise tax (IC 6-6-5);
  - (7) the commercial vehicle excise tax (IC 6-6-5.5); and

(8) the fees under IC 13-23.

(m) The name and business address of retail merchants within each county that sell tobacco products may be released to the division of mental health and addiction and the alcohol and tobacco commission solely for the purpose of the list prepared under IC 6-2.5-6-14.

*As added by Acts 1980, P.L.61, SEC.1. Amended by P.L.95-1983, SEC.1; P.L.42-1984, SEC.5; P.L.57-1985, SEC.3; P.L.6-1987, SEC.12; P.L.65-1988, SEC.2; P.L.335-1989(ss), SEC.21; P.L.2-1992, SEC.72; P.L.4-1993, SEC.11; P.L.5-1993, SEC.23; P.L.71-1993, SEC.20; P.L.277-1993(ss), SEC.52; P.L.1-1994, SEC.31; P.L.85-1995, SEC.33; P.L.67-1996, SEC.1; P.L.119-1998, SEC.18; P.L.181-1999, SEC.7; P.L.177-1999, SEC.2; P.L.215-2001, SEC.12; P.L.204-2001, SEC.14.*